Must a BOC that solicits customer approval, whether oral, written, or opt-out, on *19*. behalf of its separated affiliate or electronic publishing joint venture also offer to solicit that approval on behalf of unaffiliated entities? That is, must the BOC offer an "approval solicitation service" to unaffiliated electronic publishers when it provides such a service for its section 274 separated affiliates, electronic publishing joint ventures, or affiliates under section 274(c)(2)(A)? What impact, if any, does section 222(d)(3) have on the BOC's obligations under section 274(c)(2)(A) with regard to the solicitation of a customer's approval during a customer-initiated call? What specific steps, if any, must a BOC take to ensure that any solicitation it makes to obtain customer approval does not favor its section 274 separated affiliates or electronic publishing joint ventures or affiliates over unaffiliated entities? If the customer approves disclosure to both the BOC's section 274 senerated affiliates or electronic publishing joint ventures or affiliates and unaffiliated entities, must a BOC provide the customer's CPNI to the unaffiliated entities on the same rates, terms, and conditions (including service intervals) as it provides the CPNI to its section 274 separated affiliates or electronic publishing joint ventures or affiliates?

RESPONSE:

Nothing in Section 222 requires a BOC to solicit approval for unaffiliated entities. There is no generally applicable non-discrimination obligation under the 1996 Act for non-telecommunications, non-information services. Moreover, there is no requirement in the 1996 Act that a telecommunications carrier disclose CPNI to persons outside the scope of a customer's Section 222(c) authorization, simply because it solicits the use of CPNI from its own customers, whether those affiliates offer services contemplated to be within the scope of Section 274 or not. There is simply no tie between Section 222 and Section 274 that requires non-discriminatory provision of a non-telecommunications, non-information services.

Moreover, Section 274(c)(2)(A) only applies to "inbound telemarketing or referral services related to the provision of electronic publishing" and does not apply to any such "approval solicitation service." Further, Section 222(d)(3) permits the use of CPNI for inbound telemarketing, referral, or administrative purposes. Section 222(d) does not impose any obligation

²⁶See, e.g., Non-accounting Safaguards First Report and Order at paras. 182, 202-36.

on a BOC, except to the extent that it is a "telecommunications carrier."

Finally, Section 274(c)(2)(A) only applies a non-discrimination obligation to "inbound telemarketing or referral services related to the provision of electronic publishing" and does not apply to the provision of CPNI.

20. To the extent that sections 222(c)(1) and 222(d)(3) require customer approval, but not an affirmative written request, before a carrier may use, disclose, or permit access to CPNI, must a BOC disclose CPNI to unaffiliated electronic publishers under the same standard for customer approval as is permitted in connection with its section 274 separated affiliate, electronic publishing joint venture, or affiliate under section 274(c)(2)(A)? If, for example, a BOC may disclose CPNI to its section 274 separated affiliate pursuant to the customer's oral or opt-out approval, is the BOC required to disclose CPNI to unaffiliated entities upon the customer's approval pursuant to the same method?

RESPONSE:

No. Section 274(c)(2)(A) only applies to "inbound telemarketing or referral services related to the provision of electronic publishing" and does not apply to the provision of CPNI.

- (ii). Section 274(c)(2)(B) -- Teaming or Business Arrangements
- 21. Must a BOC, that is engaged in a teaming or business arrangement under section 274(c)(2)(B) with "any superated affiliate or with any other electronic publisher," obtain customer approval before using, disclosing, or permitting access to CPNI for such entities? What forms of customer approval (oral, written, or opt-out) would be necessary to permit a BOC to use a customer's CPNI on behalf of each of these entities in this situation?

RESPONSE:

Yes, to the extent that such approval is required by Section 222 (e.g., if the activity is not a Section 222(c)(1)(A) or (B) purpose). Oral, written, or opt-out customer approval could all be used lawfully. However, to the extent that the BOC were to disclose or permit access to CPNI by an unaffiliated electronic publisher, the requirements of Section 222(c)(2) would apply.

Must a BOC that solicits customer approval, whether oral, written, or opt-out, on 22. behalf of any of its teaming or business arrangements under section 274(c)(2)(B) also offer to solicit that approval on behalf of other teaming arrangements and unaffiliated electronic publishers? That is, must the BOC offer an "approval solicitation service" to unaffiliated electronic publishers and teaming arrangements when it provides such a service for any of its teaming or business arrangements under section 274(c)(2)(B)? If so, what specific steps, if any, must a BOC take to ensure that any solicitation it makes to obtain customer approval does not favor its electronic publishing teaming or business arrangements over unaffiliated entities? If the customer approves disclosure to both the BOC's electronic publishing teaming or business arrangements and unaffiliated entities, must a BOC provide the customer's CPNI to the unaffiliated entities on the same rates, terms, and conditions (including service intervals) as it provides the CPNI to its electronic publishing teaming or business arrangements under section 274(c)(2)(B)?

RESPONSE:

See Response to Question No. 19. Any requirement that a BOC must solicit approval on behalf of unaffiliated entities would present difficult questions under the First Amendment to the Constitution of the United States. The scope of any CFNI disclosure is governed by the scope of the customers' authorization under Section 222(c)(1) or (c)(2).

23. To the extent that sections 222(c)(1) and 222(c)(2) require customer approval, but not an affirmative written request, before a carrier may use, disclose, or permit access to CPNI, must a BOC disclose CPNI to unaffiliated electronic publishers under the same standard for customer approval as is permitted in connection with its teaming or business arrangements under section 274(c)(2)(B)? If, for example, a BOC may disclose CPNI to a section 274 separated affiliate with which the BOC has a teaming arrangement pursuant the customer's aral or opt-out approval, is the BOC likewise required to disclose CPNI to unaffiliated electronic publishers or teaming arrangements upon obtaining approval from the customer pursuant to the same method?

RESPONSE:

No. Section 274, like Section 272, is independent of the requirements of Section 222.

D. OTHER ISSUES

24. Does the seeking of customer approval to use, disclose, or permit access to CPNI for or on behalf of its section 274 separated affiliate or electronic publishing joint venture constitute a "transaction" under section 274(b)(3)? If so, what steps, if any, must the BOC and its section 274 separated affiliate or electronic publishing joint venture take to comply with the requirements of section 274(b)(3) for purposes of CPNI?

RESPONSE:

No. The BOC's seeking approval from customers does not itself constitute a transaction with its Section 274 affiliate. However, the act of seeking approval may be the result of a transaction that the BOC entered into with a Section 274 affiliate, which led to the BOC seeking approval. That underlying transaction would be subject to Section 274(b)(3). No special requirements are applicable simply because a transaction may relate to CPNI. Instead, the BOC and its Section 274 affiliate must comply with the requirements that will be adopted pursuant to the Commission's Further Notice of Proposed Rulemaking in CC Docket No. 96-152.

25. Please comment on any other issues relating to the interplay between sections 222 and 274.

RESPONSE:

There is no interplay between Section 222 and Section 274. Although no such rules are necessary or appropriate under the statutory scheme of the 1996 Act, any CPNI rules the Commission adopts based on Section 274 should sunset when 274 sunsets.

Respectfully Submitted,

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MARCH 17, 1997

CERTIFICATE OF SERVICE

I, Mary Louise Dugosh, hereby certify that the foregoing Further Comments of SBC Communications Inc. To Specific Questions in CC Docket No. 96-115 have been served this the 17th day of March, 1997, to the Parties of Record.

Mary Louise Dugosh

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